

Steelcase

Departmental Correspondence

To Credit File

Date February 5, 1991

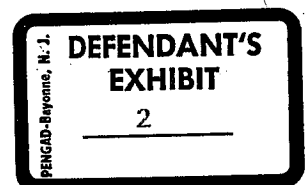
From Marvis James

Subject Harbins, Inc.

Received call from Michael Harbin regarding three big projects totalling approximately \$3Million. Two are for Herbert AFB and Steelcase has already been specified. The remaining one is for State of Alabama, Economic Development Board (bidding against Hayworth).

Advised Michael that SFSI would be the route to consider for these, but since we do not have a secured position, currently we would need to send him documents for 2nd position and also SFSI forms. I informed him that since change in ownership, we would need new dealer application and secured position which is required. He said had sent dealer application to G.R. already (I later verified with Linda Huene that he had, and she said she sent it to Atlanta Office 1/23/91). Michael was not favorable toward giving us security although I explained to him the reason. He asked that I send him the documentation.

MJ:jj
DRAFT 4



SC 000238

From: Marvis James
Subject: Harbins, Inc., Montgomery, AL

We discussed our need for a secondary security position as a result of the change in ownership with Joel. Our position remains that we should insist on getting the secured position this time as a matter of company policy for new dealerships changes in ownership. Michael should be advised that we will hold his dealership application in our department and not continue the approval process until he executes and returns the documents that I sent to him. You can also refer to the fact that he agreed in writing on the credit application to give Steelcase a secured position.

Please call me if you have further questions.

Thanks,

\$\$\$\$	\$	\$\$\$\$
\$\$\$\$	Marvis James - Credit Dept.	\$\$\$\$
\$\$\$\$	Ex: 7-2102 CH-3E-14	\$\$\$\$
\$\$\$\$	\$	\$\$\$\$

3/11 3/12

Subject: Harbins

Yesterday I met with Michael Harbin and discussed among a number of things our requirement of his signature on the security documents sent.

Although Michael is receptive to signing something, he has some problems with the terms of our agreement. Specifically, he is not interested in providing personal guarantees (i.e. pledging his personal property) as he states is a condition of the agreement. His point is that his organization is chartered as an corporation and has sufficient assets to support the credit requirements.

so, he states that there has always been some sort of credit agreement in place and that we just can't locate our records. Also, he states that although the ownership percentages have changed, the corporation that has been operating for 43 years has not. Since our arrangement is with the corporation and not Michael Harbin, personally, we should be satisfied.

Marvis, I don't agree with all of Michael's points or positions and he is aware of that. But frankly, since Michael is well-schooled in the points of law & contracts from his educational and banking experience background, I am not able to provide a strong argument. Unfortunately, I am going to have to hand this issue back to you and Joel and if need be our legal dept to handle.

Again, he's willing to discuss and do something. Also, be aware that Michael has seemingly very specific and confidential info on a number of our dealers and their UCC(?) info. He knew that certain dealers did not have similar security agreements with Steelcase (i.e. IACO) and recited some specific info about our arrangement with Lander's (i.e. what he has pledged etc., etc.) and he doesn't have the faintest idea how he got that info. Let me know.

: JVANDERW--GRNDRPDS VanderWall, Joel M

Grand Rapids, MI 49501-1967

March 21, 1991

Mr. Michael G. Harbin, President
Harbin's Incorporated
300 South Perry Street
Montgomery, AL 36104

Dear Michael:

Since talking with you on March 18, I have conferenced with our Credit Manager, Joel Vanderwall and Joe Erba regarding your refusal to provide Steelcase with a security interest in the accounts receivable and inventory of Harbin's. We have also presented this situation to our senior management.

Based upon your past payment history and tenure as a Steelcase dealer, we have decided to approve your dealership application and continue to extend to you an open line of credit. The line of credit extended will be in the amount of \$75,000, and is contingent upon your continuing to take advantage of the cash discount on a monthly basis. This line also assumes that no significant adverse changes will take place in the financial condition of Harbin's Inc. In order to evaluate your continuing credit requirements, we may from time to time request that you provide interim financial statements in addition to our normal request for fiscal statements. In the event your credit requirements exceed this line of credit, we will request that you provide appropriate credit arrangements.

Please call me at (616)247-2102 if you have any questions.

Sincerely,



Marvis James
Regional Credit Manager

MJ:jj

cc: Joel Vanderwall, Joe Erba

Printed for: Marvis.James

Dept: Credit

11/08/02 11:54 AM

From: Marvis.James@STC001
To: Steven.Waugh
Sent: 11/8/02 at 11:53am
Subject: RE:(no subject)

Steve,

Fyi....this is a dealer that Randy was credit managing and that I am now handling during our transition until we decide on our structure. When I reviewed the file and became familiar with the status of the account via Doug Wilson, it became obvious that there were issues that Randy should have addressed on our end much sooner. This is a potentially very risky situation as we do not have a security agreement with Harbins and Michael Harbin from a historical perspective has been very obstinate and difficult to work with. We may need to consider reserving this account just in case we end up with a serious collection problem. Please let me know if you want to discuss in more detail. (please see my other e-mail also sent to you today for additional info.)

Marvis James
Manager, Dealer Financial Accounts
(616) 247-2102 (phone)
(616) 246-4989 (fax)
MJJames@steelcase.com

<----- Forwarded letter follows----->
Date: 11/7/02 at 5:46pm
To: ROOK321@aol.com
Cc: Rich.Cocos
From: Marvis.James@STC001
Subject: RE:(no subject)

Michael,

You will find the following items attached:

- 1) Credit control letter
- 2) Itemized listing of the past due items
- 3) Itemized listing of orders on credit control

It is very important that you contact me immediately with you plan for repayment of the past due items. Please contact me if you have any questions.

Marvis James
Manager, Dealer Financial Accounts
(616) 247-2102 (phone)
(616) 246-4989 (fax)
MJJames@steelcase.com

<----- Forwarded letter follows----->
Date: 11/6/02 at 12:14pm
To: MJAMES
From: ROOK321@aol.com
Subject: (no subject)

Well, we wasted a whole day going down your spread sheet. Turns out all the nickel and dime amounts are service charges. Send me a CLEAN statement with just what you show open. We Show only maybe half of what you show open at the most. But we have gathered all of our remitted amounts and will compare to the Clean report. Looks like there are amounts not posted to the account.

Marvis James
Manager, Dealer Financial Accounts
(616) 247-2102

SC 000024